

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

THE NEW MAJORITY COMMITTEE  
C/O JASON D KAUNE  
591 REDWOOD HWY STE 4000  
MILL VALLEY, CA 94941

Employer Identification Number:  
94-3340436

DLN:

1705333012049

Contact Person:  
PHILIP HALEY

Contact Telephone Number:  
(877) 829-5500

ID# 95216

Internal Revenue Code  
Section 501(c)(4)

Accounting Period Ending:  
December 31

Form 990 Required:  
Yes

Addendum Applies:  
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(a) of the Internal Revenue Code as an organization described in the section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment, or other Federal taxes, please address them to this office.

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If Yes is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5

Letter 948 (DO/CG)

THE NEW MAJORITY COMMITTEE

percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Donors may not deduct contributions to you because you are not an organization described in section 170(c) of the Code. Under section 6113, any fundraising solicitation you make must include an express statement (in a conspicuous and easily recognizable format) that contributions or gifts to you are not deductible as charitable contributions for Federal income tax purposes. This provision does not apply, however, if your annual gross receipts are normally \$100,000 or less, or if your solicitations are made to no more than ten persons during a calendar year. The law provides penalties for failure to comply with this requirement, unless failure is due to reasonable cause.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

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THE NEW MAJORITY COMMITTEE

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

*Steven T. Miller*

Steven T. Miller  
Director, Exempt Organizations

Letter 948 (DO/CG)

0004 0002



Form **8718**  
(Rev. January 1998)  
Department of the Treasury  
Internal Revenue Service

**User Fee for Exempt Organization  
Determination Letter Request**

▶ Attach this form to determination letter application.  
(Form 8718 is NOT a determination letter application.)

1705333301:04  
For IRS Use Only

Contract number  
Amount paid 500  
User fee screener 76

1 Name of organization

The New Majority Committee

2 Employer Identification Number

94 : 3340436

Caution: Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

**3 Type of request**

Fee

a ☒ Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years, or
- A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ \$150

Note: If you checked box 3a, you must complete the Certification below.

**Certification**

I certify that the annual gross receipts of \_\_\_\_\_  
name of organization

have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.

Signature ▶

Title ▶

b ☒ Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years, or
- A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years .. ▶ \$500

c ☐ Group exemption letters .. ▶ \$500

**Instructions**

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 98-8, 1998-1, I.R.B. 225.

Check the box on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the Internal Revenue Service for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Send the determination letter application and Form 8718 to:

Internal Revenue Service  
P.O. Box 192  
Covington, KY 41012-0192

If you are using express mail or a delivery service, send the application and Form 8718 to:

Internal Revenue Service  
201 West Rivercenter Blvd.  
Attn: Extracting Stop 312  
Covington, KY 41011

Attach Check or Money Order Here



ATTACHMENT TO FORM 1024  
THE NEW MAJORITY COMMITTEE

Exhibit 7

Power of Attorney

IRS Form 2848

Form **2848**  
(Rev. December 1997)  
Department of the Treasury  
Internal Revenue Service

**Power of Attorney  
and Declaration of Representative**

► See the separate instructions.

OMB No. 1545-0150

For IRS Use Only

Received by:

Name \_\_\_\_\_

Telephone \_\_\_\_\_

Function \_\_\_\_\_

Date \_\_\_\_/\_\_\_\_/\_\_\_\_

**Part I** Power of Attorney (Please type or print.)

**1** Taxpayer information (Taxpayer(s) must sign and date this form on page 2, line 9.)

Taxpayer name(s) and address

The New Majority Committee  
P.O. Box 10351  
Newport, Beach, CA 92658

Social security number(s)

Employer identification

number

94 3340436

Daytime telephone number

Plan number (if applicable)

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

**2** Representative(s) (Representative(s) must sign and date this form on page 2, Part II.)

Name and address

Tom Tucker  
3 Upper Newport Plaza Drive, 2d Floor  
Newport Beach, CA 92660

CAF No. \_\_\_\_\_

Telephone No. \_\_\_\_\_

Fax No. \_\_\_\_\_

Check if new: Address ☐

Telephone No. ☐

Name and address

CAF No. \_\_\_\_\_

Telephone No. \_\_\_\_\_

Fax No. \_\_\_\_\_

Check if new: Address ☐

Telephone No. ☐

Name and address

CAF No. \_\_\_\_\_

Telephone No. \_\_\_\_\_

Fax No. \_\_\_\_\_

Check if new: Address ☐

Telephone No. ☐

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

**3** Tax matters

Type of Tax (Income, Employment, Excise, etc.)	Tax Form Number (1040, 990, 720, etc.)	Year(s) or Period(s)
Exempt Application/Returns	Form 1024, 990	1999 onward

**4** Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. (See instruction for Line 4—Specific uses not recorded on CAF.) ☐

**5** Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative unless specifically added below, or the power to sign certain returns (see instruction for Line 5—Acts authorized).

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: \_\_\_\_\_

Note: In general, an unenrolled preparer of tax returns cannot sign any document for a taxpayer. See Revenue Procedure 81-38, printed as Pub. 470, for more information.

Note: The tax matters partner of a partnership is not permitted to authorize representatives to perform certain acts. See the instructions for more information.

**6** Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, BUT NOT TO ENDORSE OR CASH, refund checks, initial here \_\_\_\_\_ and list the name of that representative below.

Name of representative to receive refund check(s) ► \_\_\_\_\_


For Paperwork Reduction and Privacy Act Notice, see the separate instructions.

Cat. No. 11980J

Form **2848** (Rev. 12-97)



- 7 Notices and communications. Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2 unless you check one or more of the boxes below.
- a If you want the first representative listed on line 2 to receive the original, and yourself a copy, of such notices or communications, check this box ☐
- b If you also want the second representative listed to receive a copy of such notices and communications, check this box ☐
- c If you do not want any notices or communications sent to your representative(s), check this box ☒
- 8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you do not want to revoke a prior power of attorney, check here. ☐  
**YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**
- 9 Signature of taxpayer(s). If a tax matter concerns a joint return, both husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.
- IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.


 Signature
 11/05/99
 Date
 President
 Title (if applicable)

Tom Tucker
 Print Name

Signature
 Date
 Title (if applicable)

Print Name

**Part III Declaration of Representative**

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
  - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
  - b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
  - c Enrolled Agent—enrolled as an agent under the requirements of Treasury Department Circular No. 230.
  - d Officer—a bona fide officer of the taxpayer's organization.
  - e Full-Time Employee—a full-time employee of the taxpayer.
  - f Family Member—a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
  - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d)(1) of Treasury Department Circular No. 230).
  - h Unenrolled Return Preparer—an unenrolled return preparer under section 10.7(c)(viii) of Treasury Department Circular No. 230.

► IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED.

Designation—Insert above letter (a–h)	Jurisdiction (state) or Enrollment Card No.	Signature	Date
A	CA/202028	Jason D. Kaune	11/05/99



**Application for Recognition of Exemption  
Under Section 501(c)**

1705333301204

OMB No. 1545-0057

If exempt status is approved,  
this application will be open  
for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.  
If the required information and appropriate documents are not submitted along with Form 8718 (with payment  
of the appropriate user fee), the application may be returned to the organization.  
Complete the Procedural Checklist on page 6 of the instructions.

**Part I. Identification of Applicant** (Must be completed by all applicants; also complete appropriate schedule.)  
Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)  
b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)  
c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)  
d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)  
e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)  
f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)  
g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)  
h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)  
i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)  
j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)  
k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)  
l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)  
m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)  
n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document)

The New Majority Committee

1b c/o Name (if applicable)

Jason D. Kaune

1c Address (number and street)

591 Redwood Highway

Room/Suite  
4000

1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2.

Mill Valley, CA 94941

1e Web site address

N/A

4 Month the annual accounting period ends  
December

2 Employer identification number (EIN) (if none, see Specific Instructions on page 2)  
94 : 3340436

3 Name and telephone number of person to be contacted if additional information is needed  
Jason D. Kaune

(415) 389-6800

5 Date incorporated or formed  
September 29, 1999

6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? ☐ Yes ☒ No  
If "Yes," attach an explanation.

7 Has the organization filed Federal income tax returns or exempt organization information returns? ☐ Yes ☒ No  
If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws. NOV 19 '99 NOV 22 '99  
b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.  
c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE  
SIGN  
HERE

Jason D. Kaune  
(Signature)

Jason D. Kaune, Counsel 11/19/99  
(Type or print name and title or authority of signer) (Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

**Part II. Activities and Operational Information (Must be completed by all applicants)**

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

See Exhibit 3.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.

See Exhibit 4.



## Part II. Activities and Operational Information (continued)

3 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.

b Annual compensation

See Exhibit 5.

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

N/A

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

N/A

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

N/A

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

The organization has one class of Membership open to any adult citizen of the United States, with invitations made by the Board of Directors. (See Exhibit 2, Bylaws, Article II.)

8 Explain how your organization's assets will be distributed on dissolution.

After paying all debts, assets will be donated to a tax exempt organization. (See Exhibit 2, Bylaws, Article I, Section 3.)

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**Part II. Activities and Operational Information (continued)**

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? . . . . . ☐ Yes ☒ No  
If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.
- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? . ☐ Yes ☒ No  
If "Yes," state in detail the amount received and the character of the services performed or to be performed.
- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? . . . . . ☐ Yes ☒ No  
If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.
- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? . . . . . ☐ Yes ☒ No  
If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.
- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? . . . . . ☐ Yes ☒ No  
If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.
- 14 Does the organization now lease or does it plan to lease any property? . . . . . ☐ Yes ☒ No  
If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)
- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? . ☐ Yes ☒ No  
If "Yes," explain in detail and list the amounts spent or to be spent in each case.
- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? . . . . . ☐ Yes ☒ No  
If "Yes," attach a recent copy of each.

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

### A. Statement of Revenue and Expenses

[illegible]

**B. Balance Sheet (at the end of the period shown)**

Assets		as of 11/1/99
1	Cash	54,265
2	Accounts receivable, net	
3	Inventories	
4	Bonds and notes receivable (attach schedule)	
5	Corporate stocks (attach schedule)	
6	Mortgage loans (attach schedule)	
7	Other investments (attach schedule)	
8	Depreciable and depletable assets (attach schedule)	
9	Land	
10	Other assets (attach schedule)	
11	<b>Total assets</b>	<b>54,265</b>
Liabilities		
12	Accounts payable	
13	Contributions, gifts, grants, etc., payable	
14	Mortgages and notes payable (attach schedule)	
15	Other liabilities (attach schedule)	
16	<b>Total liabilities</b>	<b>0</b>
Fund Balances or Net Assets		
17	Total fund balances or net assets	54,265
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	54,265

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation.

**Part IV. Notice Requirements (Sections 501(c)(9) and 501(c)(17) Organizations Only)****1 Section 501(c)(9) and 501(c)(17) organizations:**

Are you filing Form 1024 within 15 months from the end of the month in which the organization was created or formed as required by section 5C .(c)?

☐ Yes ☐ No

If "Yes," skip the rest of this Part.

N/A

If "No," answer question 2.

**2 If you answer "No" to question 1, are you filing Form 1024 within 27 months from the end of the month in which the organization was created or formed?**

☐ Yes ☐ No

If "Yes," your organization qualifies under Regulation section 301.9100-2 for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 3 and 4.

N/A

If "No," answer question 3.

**3 If you answer "No" to question 2, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3?**

☐ Yes ☐ No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 2. See Specific Instructions, Part IV, Line 3, page 4, before completing this item. Do not answer question 4.

N/A

If "No," answer question 4.

**4 If you answer "No" to question 3, your organization's qualification as a section 501(c)(9) or 501(c)(17) organization can be recognized only from the date this application is filed. Therefore, does the organization want us to consider its application as a request for recognition of exemption as a section 501(c)(9) or 501(c)(17) organization from the date the application is received and not retroactively to the date the organization was created or formed?**

☐ Yes ☐ No



**Schedule B****Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)**

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☐ No

If "Yes," explain.

N/A

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

N/A

PURPOSES AND PAST, PRESENT AND PROPOSED

FUTURE ACTIVITIES

The primary purpose of this membership organization is to promote the social welfare of Orange County and the State of California by conducting research, seeking citizen opinions and educating citizens on issues of common concern. Specifically, The New Majority Committee will promote the following ideals: expanding markets in the "new economy", expanding opportunities for everyone, promoting economic freedom in the information age, demanding a smaller more efficient government and promoting individual liberty.

Since the organization has recently been formed, the organization has only just begun its activities, but anticipates increased activity in the near future. The Board of Directors has conducted an organizational meeting. To this time, the activities of the organization have consisted of recruiting members and beginning to form a network of leaders who share the ideals of the organization. Two recruiting events (dinners at which the goals of the organization will be discussed) have been planned for late 1999.

The organization also anticipates promoting the issues and ideals outlined above in the broader community. Qualitative and quantitative research will be conducted to assist the corporation in disseminating educational materials and formulating strategies to achieve its exempt purpose. Receipt of the educational data will not be based on an ability to pay.

The organization may sponsor educational programs through public forums, lectures and panel discussions to enhance the knowledge of the citizenry of Orange County and oppose any attempts it believes will be harmful to the community. No literature has been published at this time.

The organization has begun a grassroots effort to solicit contributions from individuals and business entities for furtherance of its purposes. The type of fundraising activity will vary from direct solicitations to personal contacts. Members have or will pay dues.

The corporation does not plan to engage in the sale of merchandise or services, it has no plan to furnish credit reports, make collections, inspect products, and it is not

FINANCIAL SUPPORT

It is anticipated that the organization's primary source of financial support will be membership dues paid by members of the organization. Additionally, the organization anticipates receiving contributions from grassroots supporters in support of the corporation's objectives.

All members will be advised of the amount of membership dues spent on lobbying (if any) which may not be deducted as a business expense by the member.



anticipated that any patents, copyrights, processes or formulas will result from the organization's research.

The organization has (or will) retain the following professionals or organizations to further the organization's objectives:

- A. Consulting firm to create a strategy to achieve the organization's purpose;
- B. Law firm to ensure compliance with all state and federal laws and statutes.
- C. Research and/or survey firm to compile data.

The organization will not make loans to its officers directors or pay dividends or make similar distributions officers or directors. Further, the organization will not any gifts or grants to its officers or directors.

The organization has signed no leases and is not the lessor or lessor of any property at this time. The organization will not rent, lease or purchase any property in which any officer, director or trustee or any member of their families or any controlled by such an individual has any ownership interest.

No officer, director or trustee of the New Majority Committee will be an employee of the organization.

The organization does not plan to use funds collected for tax exempt purposes to support any candidate for public office nor does it plan to make oral statements or publish written statements for or against any candidate for public office. However, the organization plans to sponsor a political action committee, which will operate as a separate fund under the laws and regulations of the state of California.

OFFICERS AND DIRECTORS

ANNUAL COMPENSATION

Thomas E. Tucker, President  
3 Upper Newport Plaza Drive  
Newport Beach, CA 92660

\$ 0

Lawrence M. Higby, Treasurer  
3560 Hyland Avenue  
Costa Mesa, CA 92626

\$ 0

Mark C. Johnson, Secretary  
P.O. Box 699  
Corona, CA 91718

\$ 0

ATTACHMENT TO FORM 1024  
THE NEW MAJORITY COMMITTEE

Exhibit 6

Proposed Budget

<u>Income</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Membership Dues	\$80,000	\$110,000	\$110,000
Corporate Contributions	\$10,000	\$ 30,000	\$ 20,000
Individual Contributions	\$10,000	\$ 30,000	\$ 20,000
TOTAL:	\$100,000	\$170,000	\$150,000

<u>Expenditures</u>			
Research	\$ 25,000	\$ 36,000	\$ 17,500
Consulting/Outreach	\$ 20,000	\$ 50,000	\$ 50,000
Other Staffing/Grassroots	\$ 27,000	\$ 72,000	\$ 72,000
Office Expenses	\$ 7,300	\$ 3,500	\$ 3,500
Meetings/Travel	\$ 0	\$ 2,500	\$ 2,500
Media Relations	\$ 5,000	\$ 5,000	\$ 5,000
TOTAL:	\$ 86,550	\$169,500	\$150,500



2177432

ARTICLES OF INCORPORATION

ENDORSED - FILED  
in the office of the Secretary of State  
of the State of California

OF

SEP 27 1999

The New Majority Committee

BILL JONES, Secretary of State

I

The name of this corporation is The New Majority Committee.

II

A. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes.

B. The specific purpose of this corporation is to promote the social welfare in Orange County and throughout California by supporting fiscally conservative and socially inclusive views on issues related to the new-world economy.

C. Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this corporation.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Jason D. Kaune  
591 Redwood Highway, #4000  
Mill Valley, CA 94941

IV

This corporation is organized and operated exclusively for social welfare purposes within the meaning of Section 501(c)(4) of the Internal Revenue Code.

8804 0018

V

The property of this corporation is irrevocably dedicated to social welfare purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof, or to the benefit of any private person.

Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for Social Welfare purposes and which has established its tax exempt status under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code.

DATED: 7/24/99

J. D. Kaune  
Jason D. Kaune

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

J. D. Kaune  
Jason D. Kaune



00000000



BYLAWS OF  
THE NEW MAJORITY COMMITTEE  
A California Nonprofit Corporation

ARTICLE I  
NAME AND PURPOSE

Section 1. Name. The name of this corporation is and shall be The New Majority Committee (hereinafter referred to as "the Corporation").

Section 2. Purposes.

(a) The Corporation is organized solely for nonprofit purposes under the Nonprofit Mutual Benefit Corporation Law. The principal purpose of the Corporation is to promote the social welfare in Orange County and throughout California by supporting fiscally conservative and socially moderate views on issues related to the new economy. By embracing inclusive ideals without enforcing issue litmus tests, the New Majority Committee will demonstrate that they are considerate of various perspectives.

(b) The activities of the Corporation shall be accomplished without coordination with any federal or state candidate, without communication with any federal or state candidate about campaign strategy, and without advocating the election or defeat of any federal or state candidate. The Corporation shall not make campaign contributions or expenditures.

2177432

State of California

SECRETARY OF STATE

I, *BILL JONES*, Secretary of State of the State of California,  
hereby certify:

That the attached transcript of *V* page(s) has  
been compared with the record on file in this office, of  
which it purports to be a copy, and that it is full, true  
and correct.



IN WITNESS WHEREOF, I execute this  
certificate and affix the Great Seal of  
the State of California this day of

*Bill Jones*

Secretary of State

0000000000



(c) Notwithstanding any other provision of these Bylaws, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of the Corporation.

Section 3. Procedure on Dissolution. Upon winding up and dissolution, the Corporation, after paying or adequately providing for its debts and obligations, shall distribute its remaining assets to such nonprofit organization dedicated to one or more of the purposes of the Corporation as the Board of Directors shall determine.

## ARTICLE II MEMBERSHIP

Section 1. Open Membership. Except as provided in Section 6 of this Article II, and subject to satisfaction of the admissions standards, if any, from time to time adopted by the Board of Directors in accordance with Section 3(c) of this Article II below, any adult citizen of the United States is eligible for Membership in the Corporation.

Section 2. Status. Membership in the Corporation is personal and non-assignable. Death, resignation or expulsion of a member shall terminate a persons status as a member.

Section 3. Admittance.

(a) Any current member may nominate any eligible person for membership by submitting such persons name to the Admissions and Membership Committee.

(b) The Admissions and Membership Committee shall recommend to the Board of Directors whether or not to extend an invitation to membership after such investigation of the proposed member as the committee deems appropriate.

(c) The Board of Directors shall determine whether to extend an invitation to a prospective member. If the Board of Directors determines to invite a person to become a member of the Corporation, the Board of Directors shall extend the invitation.

The Board of Directors from time to time may prescribe standards, procedures and vote requirements (including, without limitation, any unanimous or super-majority vote requirement) for admission to membership in the Corporation. Anything to the contrary herein notwithstanding, no such standard, procedure or vote requirement shall create the right in any person to be admitted into membership, and the Board of Directors shall have the right to admit or to refuse to admit, in its sole and absolute discretion, any person for any reason whatsoever.

(d) An eligible person who accepts an invitation to membership in the Corporation shall become a member upon agreeing to contribute the applicable Membership Amount, as defined below. Upon the agreement of the member, the Membership Amount can be allocated among the Corporation, its state recipient committee, its federal separate segregated fund or any combination of these.

Section 4. Non-assessable. No member shall be liable for the debts of the Corporation and no member shall be

financially responsible beyond the amount of his or her annual membership contribution.

Section 5. Continuation of Membership

(a) A member may withdraw and surrender his membership at any time. The resignation shall be effective upon delivery of a written notice of resignation to the Secretary.

(b) The Board of Directors shall, from time to time, establish an amount due periodically from its members in consideration for membership in the Corporation (the "Membership Amount"). The Membership Amount shall be the same for all members of the Corporation, provided, however, that (1) the Board may impose an initiation fee on member initiates in excess of the Membership Amount so long as the initiation fee shall be the same for all member initiates invited into membership within sixty (60) days of each other or (2) the Board may waive the Membership Amount and/or initiation fee by a majority vote.

(c) Subject to the other terms and conditions contained in these Bylaws, a person shall continue as a member in good standing by contributing the Membership Amount. Such amount shall be paid as required from time to time by the Board of Directors.

There shall be a grace period of sixty (60) days following the due date of any payment before a membership is terminated. The Treasurer shall identify persons subject to termination due to non-payment, and the Board of Directors shall determine whether to terminate the member's status. The Secretary shall notify



terminated members of the Board of Directors' action.

(d) The Board of Directors may, by a two-thirds (2/3rds) vote of the entire membership of the Board of Directors, and after due notice and right to be heard, expel any member for conduct which in the Board of Directors sole and absolute discretion is likely to endanger the welfare, interests, reputation or character of this Corporation.

### ARTICLE III DIRECTORS

Section 1. Powers. All Corporate powers, except as otherwise specified in these Bylaws, shall be exercised by or under the authority of the Board of Directors, and all of the business and affairs of the Corporation shall be controlled by the Board of Directors. Without prejudice to such general powers, but subject to the limitations set forth in these Bylaws, it is hereby expressly declared that the Board of Directors shall have the following powers, to wit:

First: To select and remove all officers, agents and employees of the Corporation, to prescribe the powers and duties of such officers, agents and employees, not inconsistent with law or with these Bylaws, and to fix the compensation and conditions of employment of agents and employees.

Second: To conduct, manage and control the affairs of the Corporation, and to make all rules and regulations therefor not inconsistent with law or with these Bylaws.

Third: To designate the time and place of members' meetings and to prescribe the form of certificates of membership, if any.

Fourth: To admit and expel members in accordance with Article II of these Bylaws.

Fifth: To establish committees that further the purposes of the Corporation.

Sixth: To establish and sponsor a state recipient committee and a federal separate segregated fund, which shall support or oppose ballot measures, and proposed legislation, provided that the Board of Directors shall not contribute or agree to contribute any of the funds of the Corporation to any candidate for elected office.

Seventh: To delegate to any committee any of the powers and authority of the Board of Directors, except for the power to adopt, amend or repeal any bylaws of the Corporation, the power to replace Directors, the power to expel any member of the Corporation or the power to approve political endorsements.

Eighth: To expend Corporation funds in furtherance of the powers named above subject to Section 2 of this Article III.

Section 2.      Limitation on Powers

(a) The Board of Directors shall have no authority to obligate the Corporation financially in excess of the funds in its treasury, and any Director who obligates the Corporation or who participates in any such action shall be personally obligated

for the same. Further, no individual Director shall have authority of any kind to bind the Board of Directors or the corporation.

(b) Nothing herein shall be construed as affecting, influencing or abridging the right of any Director of the Corporation, personally or individually, to endorse or contribute to any candidate at any time, except that no Director, Counsellor, or officer of the Corporation may do so in the name of, or otherwise using the name of, the Corporation.

#### ARTICLE IV OFFICERS

Section 1. Officers. The officers of the corporation shall be a President, a Secretary, and a Treasurer. The Corporation's Board of Directors, shall consist of the President, Secretary and Treasurer. Each officer shall be a member of the Corporation and shall serve without compensation, provided, however, that the corporation may purchase errors and omission insurance and other reasonable insurance benefiting all of the officers, and payment of the premiums due for such insurance shall not be deemed to be compensation paid to any officer.

Section 2. President. The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall be responsible for the general supervision, direction and control of the affairs and officers of



the Corporation. The President shall preside at all meetings of the members, and the Board of Directors. He shall appoint the chairman of each standing committee, subject to Board of Directors approval, and shall be an -ex officio member of all standing committees, and shall have the general powers and duties of management usually vested in the office of President of a corporation, as well as other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

Section 3.      Acting President. In the absence or disability of the President, one of the Officers of the Corporation, as designated by the Board of Directors, shall assume all of the responsibilities of the President, and when so acting shall have all of the powers, and shall be subject to all of the restrictions and limitations of the President.

Section 4.      Secretary.

(a) The Secretary shall keep, or cause to be kept, a book of minutes of all meetings of Directors, Counsellors the Executive Committee, and members, setting forth the time and place of such meetings, whether regular or special, and if special, how authorized, the notice thereof, the names of those present at the Directors meetings, the number of members present or represented at members meetings, and the proceedings thereat.

(b) The Secretary shall keep, or cause to be kept, a register showing the names and addresses of the members of the Corporation, the date each member was elected to membership, the

date each membership expires, and the number and date of any certificate of membership issued to such member. (c) The Secretary shall give, or cause to be given to the members, and to the Board of Directors, notice of all of the meetings as required by these Bylaws, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

**Section 5. Treasurer.**

(a) The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and fiscal transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, and any gains or losses resulting from transactions incidental to the purposes of the Corporation.

**ARTICLE V  
MISCELLANEOUS**

**Section 1. Checks. Drafts, Etc.** All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

**Section 2. Contracts. Etc. How Executed.** The Board of Directors, except as otherwise provided in these Bylaws, may

authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit to render it liable for any purpose or for any amount.

Section 3.      **Inspection of Bylaws.** The Corporation shall keep at such place as the Board of Directors shall order the original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the members at all reasonable times during office hours.

Section 4.      **Fiscal Year.** The fiscal year of the corporation shall commence on January 1 and end on December 31 of each calendar year.

Section 5.      **Offices.** The principal office of the Corporation shall be located in the County of Orange. The principal office and additional offices may be located in such other places as may be determined from time to time by the Board of Directors.

Section 7.      **Books and Records.** The Corporation shall keep at its principal office correct and complete books and records of account, written minutes of the proceedings of its



meetings, the original or a copy of the Articles and Bylaws as amended to date, and a record giving the names and addresses of all members.

#### ARTICLE VI AMENDMENTS

Section 1. Power of Members. New Bylaws may be adopted or these Bylaws may be amended or repealed by a majority vote of members of the Corporation or by the written consent of a majority of the members, except as otherwise provided by law.

Section 2. Powers of Directors. Subject to the right of members as provided in Section 1 of this Article VI to adopt, amend or repeal these Bylaws, these Bylaws, other than an amendment thereof changing the authorized number of Directors, may be adopted, amended or repealed by approval of three-fourths (3/4th) of the entire membership of the Board of Directors.

CERTIFICATE

I, Mark Johnson hereby certify:

That I am the duly elected and acting Secretary of The New Majority Committee, a California Nonprofit Corporation; and

That the foregoing Bylaws, consisting of 12 pages, including this one, constitute the Bylaws of said Corporation, as duly adopted by the Board of Directors at a meeting held on October 7, 1999 via telephone conference call.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

---

Mark Johnson, Secretary

LAW OFFICES OF  
NIELSEN, MERKSAMER,  
PARRINELLO, MUELLER & NAYLOR, LLP  
A LIMITED LIABILITY PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

SACRAMENTO  
770 L STREET, SUITE 800  
SACRAMENTO, CALIFORNIA 95814  
TELEPHONE (916) 446-6752  
FAX (916) 446-6106

591 REDWOOD HIGHWAY, #4000  
MILL VALLEY, CALIFORNIA 94941  
TELEPHONE (415) 389-6800  
FAX (415) 388-6874

SAN FRANCISCO  
TWO EMBARCADERO CENTER, SUITE 200  
SAN FRANCISCO, CALIFORNIA 94111  
TELEPHONE (415) 389-6800  
FAX (415) 388-5874

February 16, 2000

VIA FACSIMILE AND CERTIFIED MAIL

Mr. Philip H. Haley  
Internal Revenue Service  
EP/EO Division SA-6209  
4330 Watt Avenue  
North Highlands, CA 95660

RECEIVED  
FEB 18 2000

EMERSON  
NATIONAL GENERAL SECURITIES

RE: Tax Exempt Application (Form 1024), Response to  
Questions, New Majority Committee, EIN 94-3340436,  
Case Number 17053-333-01204-9

Dear Mr. Haley:

Please accept this response to the questions posed in your  
letter of January 26, 2000.

Enclosed is information about (1) sample literature; (2)  
payments and reimbursements; (3) support of the organization's  
PAC; (4) provision of services; (5) social activities; (6) goals  
objectives for tax year 2000; and (7) membership.

We trust this answers the additional questions you have  
about The New Majority Committee. Thank you for your  
consideration and assistance.

Sincerely,



Jason D. Kaune

cc: Chris St. Hilaire  
Executive Director, The New Majority Committee

JDK  
Enclosures  
#7238.01

8:00 PM 02/18/00



ATTACHMENT #1  
REQUEST FOR ADDITIONAL INFORMATION  
THE NEW MAJORITY COMMITTEE

Sample Literature

No literature had been published by the organization at the time of its application. (See, Application, Exhibit 3, p.1.)

Since the time of its application, the organization has held another recruiting event. Attached is a copy of the invitation to this event.

Also attached is a (draft) "Overview and Mission" statement for the organization used for recruiting purposes. The organization plans to update and revise this statement as one of its goals for tax year 2000. (See, Response, Attachment 6.)

Finally, attached is an announcement for an upcoming event concerning ballot measures on the March 7, 2000 ballot in California. This informational event is not for electioneering purposes, although a PAC formed by the organization will engage in advocating the election and/or defeat of certain candidates in the March 7, 2000 election. (See, Response, Attachment 3.)

*The New Majority Committee &  
Business Leaders of the New Economy*

*Donald Beull  
David Duke*

*Paul Polino  
Henry Samueli*

*Nick Shihrestany  
Ted Smith*

*Zoe Alfred  
George Argyros  
Donald Bren  
Devek Clark  
Jerry Danderman  
Christine Diermer Iger  
Ben Du  
Stephen Erskelens  
David Fife  
Robert Fullman  
Doug Freeman  
Jim Everett  
John Garrett  
John Ginger*

*Dr. Albert Gal  
Michael Garbow  
Frank P. Greinke  
Terry Hackett  
Terry Hartmann  
Larry Highy  
Ken Hines  
David Horowitz  
Gary Hunt  
Mark Chapin Johnson  
Stephen Jones  
Parker Kennedy  
Roger Kirsan  
Alike Latham*

*General William Lyon  
Richard Marconi  
Marion Knott Montapert  
Rick Muth  
Steve Myers  
Tricia Nichols  
Richard Ruckuck  
Ron Simon  
Dale Stillwell  
Ron Tindler  
Tom Tierney  
Larry Werner  
Franz Wiesner  
Robert F. Yellum*

*Please join us  
for a cocktail reception and discussion.*

*Thursday, February 10, 2000  
6:00 in the evening*

*at the  
The Four Seasons Hotel  
690 Newport Center Drive  
Newport Beach, California*

*Business attire*

*7.9-2662  
RSVP (949) 532-2880*

## Overview and Mission

As we enter the 21st century, Orange County is at the forefront of the new-world economy. With technology a growing driver of Orange County's economic engine, new entrepreneurs and investors are emerging. Fiscally conservative and socially moderate, these individuals share many of the ideals with other leaders from development and manufacturing that have historically shaped public policy in Orange County. An alignment is taking place where the traditional and the new are working in concert to help shape the future.

With an inclusive vision for the future, Orange County Civic and Community Leaders are uniting to form The New Majority Committee - an organization designed to promote inclusive ideals among Orange County citizens as we enter the new millennium.

Through actively recognizing and supporting common core principles, The New Majority Committee will change the paradigm that governs the development of public policy.

## Non-Profit Organization

The New Majority Committee will initially form a non-profit group to promote the following ideals:

- Expanding markets in the new economy
- Expanding opportunities for everyone
- Promoting economic freedom in the information age
- Demanding a smaller more efficient government
- Promoting individual liberty

The New Majority Committee will conduct polling and focus groups, sponsor workshops and meetings as well as recruit and communicate with members who share our ideals. The New Majority Committee will also support policies and views consistent with these ideals and invite speakers to promote an inclusive dialogue among Orange County leaders.

The New Majority Committee is a nonprofit, public benefit corporation and expects to receive exemption under Internal Revenue Code section 501(c)(4).



### **The New Majority Political Action Committee**

The New Majority will also form a Political Action Committee (PAC) with the following goals:

- Expand the appeal of the Republican Party
- Broaden participation from voters who share core Republican values
- Elect common sense, fiscally responsible, inclusive Republicans

By embracing inclusive ideals without enforcing issue litmus tests, the New Majority PAC will attract voters back into the GOP and demonstrate to moderate Democrats and Independents alike that Republicans are considerate of various perspectives, opinions and ideals.



Sponsored by The New Majority Committee

## NEW MAJORITY COMMITTEE

ELECTION DAY BLUES?

ALL THOSE INITIATIVES GOTCHA DOWN?

Please join our host, David Fife, and  
members of the New Majority Committee  
for breakfast and a discussion of  
California's 2000 primary

Our guest speaker, Reed Royalty,  
President of the Orange County Taxpayer's Association  
will discuss and decipher the 2000 Voter's Guide (including  
initiatives) for us

Thursday, February 24, 2000  
8:00 a.m. to 9:00 a.m.

The Newport Beach Yacht Club  
1099 Bayside Drive  
Newport Beach

Rsvp by e-mail [reneecroce@msn.com](mailto:reneecroce@msn.com), or  
by phone (949)719-2662

PO BOX 10351 NEWPORT BEACH, CA 92658 TEL 714/374.8062 FAX 714/374.8712

0000 9 9 0 3 8

ATTACHMENT #2

REQUEST FOR ADDITIONAL INFORMATION

THE NEW MAJORITY COMMITTEE

Payments and Reimbursements

No officers, directors, members, or their relatives will receive a salary, reimbursement for expenses, or any other form or payment from the organization.

The organization has engaged consulting firms, a law firm, and research firms to provide serve its exempt purposes.



ATTACHMENT #3

REQUEST FOR ADDITIONAL INFORMATION

THE NEW MAJORITY COMMITTEE

Support of PAC Activities

As indicated in its application, the organization sponsors a political action committee under the laws and regulations of the State of California. (Application, Exhibit 3, p.2; see, Govt. Code sections 8100 et seq.) The PAC maintains a separate segregated bank account, with a unique EIN number, and does not commingle funds with the organization's primary account.

Under California law, The New Majority Committee is the "sponsor" of its PAC and, therefore, pays its administrative expenses. (2 Cal. Code regs. section 18419(a)(2); see, 26 C.F.R. section 1.527-6(b) [provision of administrative expenses permissible to extent permissible under state law].) Other than administrative expenses, the funds in the nonprofit account of the corporation are used entirely for social welfare purposes.

Members may choose to have all or a portion of their membership dues dedicated to the PAC. Such dues are deposited directly into the PAC bank account; members who make PAC contributions then receive a notification that the contribution may trigger state campaign finance disclosure requirements.

Professionals and organizations which perform services attributable to the PAC (e.g., consulting, legal, public relations, etc.) bill the PAC directly for such services. (See Response, Attachment 4.)

ATTACHMENT #4

REQUEST FOR ADDITIONAL INFORMATION

THE NEW MAJORITY COMMITTEE

Service Providers

As previously indicated, the organization has retained professional and other organizations (including an attorney<sup>1</sup>, consultants and research organizations) to perform services to further The New Majority Committee's objectives. (Application, Exhibit 3.)

None of the members of the Board of Directors are related directly or indirectly to any business that will be providing services to the organization.

---

<sup>1</sup> Jason D. Kaune serves as the Treasurer of the PAC but not as an officer or director of The New Majority Committee. (Govt. Code section 84100 [requiring every PAC to have a Treasurer].) Jason D. Kaune is an associate of the firm which provides legal and accounting services to the organization and PAC. The law firm bills the organization on an hourly rate basis.

how to expand Internet accessibility to all children, policy-oriented studies and meetings on the "new economy" in Orange County and California, issue advocacy, and other activities related to the ideals espoused by the organization.

At the end of tax year 2000, the Board will assess the progress of the organization and whether it has met its goals.



ATTACHMENT #5

REQUEST FOR ADDITIONAL INFORMATION

THE NEW MAJORITY COMMITTEE

Social Activities

Although the organization plans to sponsor activities with a "social" element, all of its activities will serve its exempt purpose, either by recruiting new members, informing the general public on issues of importance to the community, or building on the ideals of the organization (including expanding markets in the "new economy", expanding opportunities for everyone, promoting economic freedom in the information age, demanding a smaller more efficient government and promoting individual liberty). Activities of the organization will be primarily for the purpose of bringing about civic betterment and social improvements. (26 CFR section 1.501(c)(4)-1(A)(2)(i).) Non-members will be invited to many of the organization's events.

For example, the second organizational reception (see, Response, Attachment 1) included members and non-member alike and featured officers, directors and members describing future activities of the organization. The organization plans to schedule events, panels, public events, and study groups on issues of importance to the community, including the development of the high-tech business community in Orange County, taxation issues, economic outreach to the Latino community and eradicating the "digital divide" to provide Internet services to all children.

ATTACHMENT #6  
REQUEST FOR ADDITIONAL INFORMATION  
THE NEW MAJORITY COMMITTEE

Goals and Objectives for Tax Year 2000

At its Executive Committee meeting of February 10, 2000 the Board of Directors resolved to establish a work plan for the current and future tax years. The following specific goals and objectives were considered:

- The first phase of the organization's existence (November 1999 to the present) has been focused on recruiting a "founding" membership. The goal for tax year 2000 will be to have 100 members.
- The second phase of the organization's activity (until May 2000) will be focused on establishing an infrastructure, including Board committees, employees/consultants, regular membership communication, record keeping, database management, and other administrative priorities.
  - In order to make an impact on Orange County elections scheduled for March 7, 2000, the PAC has begun collecting contributions and making independent expenditures to promote the election of civic leaders to positions on the county's Republican "central committee";
  - Board committees have been established (February 10) to consider: Board and membership structure and strategy, mission statement revision, membership communications, and programs.
- The third phase of the organization's activity (May to December 2000) will focus on research and developing programs related to the ideals of the organization. (See, Response, Attachment 5; Application, Exhibit 3.) Such research and programs will include: e-mail and fax newsletters to membership on issues related to the organization's exempt purpose, creation of a work group on the "digital divide" problem in Orange County and

INTERNAL REVENUE SERVICE  
EP/EO DIVISION SA-6209  
4330 WATT AVENUE  
NORTH HIGHLANDS, CA 95660

DEPARTMENT OF THE TREASURY

Date: January 26, 2000

THE NEW MAJORITY COMMITTEE  
C/O JASON D. KAUNE  
591 REDWOOD HIGHWAY  
MILL VALLEY, CA 94941

Employer Identification Number:  
94-3340436

Case Number:  
17053-333-01204-9

Contact Person:  
Philip Haley

Contact Telephone Number:  
(916) 974-5177

Response Due Date:  
February 16, 2000

Dear Applicant:

Before we can recognize your organization as being exempt from Federal income tax, we must have enough information to show that you have met all legal requirements. You did not include the information to make that determination on your Form 1024, Application for Recognition of Exemption Under Section 501(a) or for Determination Under Section 120.

To help us determine whether your organization is exempt from Federal income tax, please send us the requested information by the above date. We can then complete our review of your application.

If we do not hear from you within that time, we will assume you do not want us to consider the matter further and will close your case. As a result, the Internal Revenue Service will treat your organization as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new Form 1024.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Thank you for your cooperation.

Sincerely yours,

Philip H. Haley  
Exempt Organizations Specialist

Letter 1313 (DO/CG)



ATTACHMENT #7  
REQUEST FOR ADDITIONAL INFORMATION  
THE NEW MAJORITY COMMITTEE

Membership

The organization had 48 members as of February 11, 2000.

0034 0045

- (1) Please submit copies of any brochures, pamphlets, newsletters, advertisements, or any other literature regarding your organization (including educational materials).
- (2) Will any officers, directors, members, or their relatives, receive a salary, reimbursement for expenses, or any other form of payment from your organization? If so, explain fully, and include the recipients' names, duties and the number of hours each week that they will devote to such duties. State the amount of compensation each will receive and the basis for arriving at the amounts of such payments.
- (3) Please describe how the organization will support its proposed PAC activities. Will the organization provide any resources to its PAC? If yes, please explain.
- (4) Are any members of the board of directors related directly or indirectly to any business that will be providing services to the organization (e.g. business/political consulting, and collecting and analyzing research data)? If yes, please explain the relationship and describe the provided services.
- (5) Please describe the nature of the organization's social activities. For each category of social activity, please indicate the importance of the activity, in relation to all your activities, as a percentage of time spent and funds expended.
- (6) Please provide a copy of your work plan, as well as goals and objectives for tax year 2000.
- (7) How many members do you currently have?

ATTACHMENT TO FORM 1024  
THE NEW MAJORITY COMMITTEE

<u>Exhibit</u>	<u>Description</u>
1	Articles of Incorporation
2	Bylaws
3	Response to Part II, Question 1 Purposes and Activities
4	Response to Part II, Question 2 Financial Support
5	Response to Part II, Question 3 Governing Body
6	Response to Part III, Section A Proposed Budget
7	Power of Attorney (IRS Form 2848)



LAW OFFICES OF  
**NIELSEN, MERKSAMER,  
PARRINELLO, MUELLER & NAYLOR**

A PARTNERSHIP INCLUDING A PROFESSIONAL CORPORATION

**SACRAMENTO**

720 L STREET, SUITE 800  
SACRAMENTO, CALIFORNIA 95814  
TELEPHONE (916) 446-6752

FAX (916) 446-6106

591 REDWOOD HIGHWAY, #4000

MILL VALLEY, CALIFORNIA 94941

TELEPHONE (415) 389-6800

FAX (415) 388-6874

**SAN FRANCISCO**

TWO EMBARCADERO CENTER, SUITE 200  
SAN FRANCISCO, CALIFORNIA 94111  
TELEPHONE (415) 389-6800

FAX (415) 383-6874

November 19, 1999

VIA CERTIFIED MAIL

Internal Revenue Service  
P.O. Box 192  
Covington, KY 41012-0192

Re: The New Majority Committee  
Internal Revenue Service Form 1024

Dear Sir or Madam:

Enclosed please find Internal Revenue Service Form 1024 -- Application for Recognition of Exemption, which is filed on behalf of The New Majority Committee. We have also enclosed a power of attorney (Exhibit 7) from this organization authorizing me to file this application. The filing fee of \$500, including IRS Form 8718, is also enclosed.

If you have any questions or should you need any additional information, please feel free to contact me at (415) 389-6800.

Sincerely,



Jason D. Kaune

JDK/eo  
Enclosure  
#7238.01

POSTMARK

RECEIVED

NOV 19 '99

NOV 22 '99

ORIGINAL  
SERVICE CENTER

ATTACHMENT TO FORM 1024  
THE NEW MAJORITY COMMITTEE

Exhibit 1  
Articles of Incorporation

ATTACHMENT TO FORM 1024  
THE NEW MAJORITY COMMITTEE

Exhibit 2

Bylaws



ATTACHMENT TO FORM 1024  
THE NEW MAJORITY COMMITTEE

Exhibit 2  
Response to Part II,  
Question 1

0004 0052

ATTACHMENT TO FORM 1024  
THE NEW MAJORITY COMMITTEE

Exhibit 4  
Response to Part II,  
Question 2

0004 0053

ATTACHMENT TO FORM 1024  
NEW MAJORITY COMMITTEE

Exhibit 5

Response to Part II,

Question 3